

Message Text

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TAGS: OREP (LONG, RUSSELL B)

SUBJECT: CODEL LONG

REF: STATE 179003

SUMMARY. CODEL LONG WAS IN MUNICH SEPTEMBER 2-3 AND ATTENDED WORKING LUNCHEONS ON BOTH DAYS AT WHICH HE MET PROMINENT GERMAN AND AMERICAN BUSINESS AND FINANCIAL EXECUTIVES. DISCUSSIONS CENTERED ON CONTEMPORARY ECONOMIC PROBLEMS, BOTH WORLDWIDE AND THOSE PARTICULARLY AFFECTING THE UNITED STATES AND GERMANY. SENATOR LONG USED BOTH OCCASIONS AS OPPORTUNITY TO DEVELOP AT SOME LENGTH HIS OWN VIEWS ON THESE SUBJECTS AND SEEMED PLEASED AT LEARNING VIEWS OF OTHER GUESTS. END SUMMARY.

1. SENATOR RUSSELL LONG, ACCOMPANIED BY MRS. LONG, ARRIVED IN MUNICH IN LATE MORNING SEPTEMBER 2, AND SENATOR PROCEEDED ALMOST IMMEDIATELY TO LUNCHEON HOSTED BY BAVARIAN ECONOMIC AND TRANSPORTATION MINISTER ANTON JAUMANN. ASIDE FROM TWO OFFICIALS FROM JAUMANN'S MINISTRY, CONSUL GENERAL SPIVACK AND CONSULATE ECONOMIC CHIEF PETERSON, GUESTS WERE PROMINENT MEMBERS OF LOCAL BUSINESS AND FINANCIAL COMMUNITY. INVITED BY JAUMANN TO EXPRESS HIS VIEWS ON CURRENT WORLD PROBLEMS, SENATOR LONG TOUCHED ON FOLLOWING TOPICS:

A. OPEC AND DEVELOPING COUNTRIES. CODEL REFERRED HIS AND SENATOR RIBICOFF'S MEETING IN VIENNA WITH OPEC OFFICIALS AND PREDICTED THAT LATTER WOULD MAKE VERY STRONG CASE VIS-A-VIS DEVELOPING
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COUNTRIES TO ESTABLISH RAW MATERIALS CARTELS SIMILAR TO THAT NOW

REPRESENTED IN CASE OF OIL BY OPEC; OPEC REPS WOULD FURTHER STRESS THEIR DEVELOPMENT AID CONTRIBUTIONS AVERAGING 4 PERCENT THEIR AGGREGATE GNP AS OPPOSED TO UNDER ONE PERCENT FROM U.S. AND WOULD CALL FOR INCREASED CONTRIBUTIONS FROM U.S. AND OTHER INDUSTRIALIZED COUNTRIES. SENATOR SAID THAT HE BELIEVED U.S. REPRESENTATIVES TO FUTURE WORLD MEETINGS CONCERNED WITH SUCH PROBLEMS WOULD HAVE VERY DIFFICULT PROBLEM TRYING TO COUNTER SUCH ARGUMENTS AND THAT MAJORITIES IN GENERAL ASSEMBLY AND OTHER FORUMS WOULD STRONGLY ENDORSE THOSE VIEWS.

B. GERMAN-U.S. TRADE. TO MINISTER JAUMANN'S EXPRESSION OF CONCERN OVER EFFECTS ON GERMAN ECONOMY OF DIFFICULTIES U.S. NOW EXPERIENCING, CITING DRAMATIC DECREASE (ABOUT 40 PERCENT) IN BAVARIA'S EXPORTS TO U.S. CODEL COUNTERED BY URGING FRG TO CONCENTRATE ON INCREASING EFFICIENCY ITS INDUSTRIAL PRODUCTION WHILE OPENING UP FRG AGRICULTURAL MARKET FOR MORE U.S. AGRICULTURAL EXPORTS. MINISTER JAUMANN RESPONDED THAT, AS BAVARIAN CABINET MINISTER, HE COULD NOT WHOLLY ACCEPT THAT POSITION INASMUCH AS HE CONSIDERED IT IN BAVARIA'S INTEREST MAINTAIN PROSPEROUS AND STABLE BAVARIAN AGRICULTURAL BASE.

C. INDUSTRIAL AND LABOR DEVELOPMENTS. CODEL DESCRIBED HIS LONG TERM INTEREST IN EMPLOYEE STOCK PARTICIPATION PLANS AS COUNTER TO LABOR STRIFE AND INCENTIVE TO GREATER PRODUCTIVITY; HE INDICATED HIS INTENTION TO INTRODUCE LEGISLATION PROVIDING TAX INCENTIVES TO U.S. FIRMS ADOPTING SUCH PLANS. THE GERMAN GUESTS INDICATED RESERVATIONS TO THESE IDEAS AS POSING DANGER OF LABOR INTERFERENCE IN MANAGEMENT DECISIONS, CITING CURRENT CO-DETERMINATION (MIT-BESTIMMUNG) CONTROVERSY IN GERMANY. CODEL STATED THAT HE SYMPATHIZED WITH VIEW THAT LABOR SHOULD NOT INTERFERE IN MANAGEMENT DECISIONS, AND SAID HE ENVISIONED POSSIBILITY THAT STOCK PURCHASED BY EMPLOYEES MIGHT BE "NON-VOTING".

2. ON MORNING SEPTEMBER 3, SENATOR LONG RECEIVED BRIEFING IN HIS HOTEL SUITE BY DR. BERND LEISE, PUBLIC HEALTH OFFICER IN FEDERAL MINISTRY OF FAMILY, HEALTH, AND WELFARE, WHO CAME TO MUNICH FROM BONN FOR THAT PURPOSE.

3. AT LUNCHEON HOSTED BY CONSUL GENERAL SPIVACK ON SEPTEMBER 3, GUESTS WERE PRINCIPALLY MANAGERS, MOSTLY GERMAN, OF BAVARIAN-UNCLASSIFIED

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BASED AFFILIATES AND SUBSIDIARIES OF LARGE AMERICAN FIRMS. DISCUSSIONS FOLLOWED MUCH SAME LINES AS ABOVE, WITH CODEL REPEATING ALMOST VERBATIM VIEWS HE HAD EXPRESSED PREVIOUS DAY. AT THIS LUNCHEON SOME TIME WAS DEVOTED TO DISCUSSION OF OVERALL PROBLEM OF RELATIONS BETWEEN INDUSTRIALIZED AND DEVELOPING COUNTRIES, SPARKED, IN PART, BY SECRETARY OF STATE KISSINGER'S MESSAGE TO SPECIAL GENERAL ASSEMBLY MEETING CURRENTLY TAKING PLACE IN NEW YORK. WHILE ALL PRESENT, INCLUDING SENATOR LONG,

AGREED THAT THIS PROBLEM WAS ONE OF MOST IMPORTANT NOW FACING ALL COUNTRIES, NO PARTICULAR GENERALIZATIONS OR TRENDS WERE EVIDENT IN COURSE OF DISCUSSION. SENATOR LONG AFTERWARDS EXPRESSED INTEREST IN READING TEXT OF SECRETARY'S REMARKS, AND COPY WAS GIVEN HIM PRIOR HIS DEPARTURE FROM MUNICH LATER THAT DAY.

4. BEFORE LEAVING, SENATOR LONG EXPRESSED HIS SATISFACTION WITH HIS STAY IN MUNICH AND PARTICULARLY WITH SUBSTANTIVE DISCUSSIONS HE HAD HAD AT TWO LUNCHEONS CITED ABOVE.
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